

Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA Division Director

January 7, 2008

CERTIFIED MAIL 7005 2570 0000 4801 7895

Bob Steele 1055 North 400 East Nephi, UT 84648

Subject: Findings of Fact, Conclusions, Order for MC 07-04-01, Gardner Canyon, S/023/0015

Juab County, Utah,

Dear Mr. Steele:

On September 19, 2007, an Informal Conference was held to review the fact of the violation and the proposed fines for state violation MC07-04-01. As a result of a review of all pertinent data and facts, including those presented in the Informal Conference, the attached document constitute the findings of fact, conclusions, and order.

Cessation Order MC07-04-01 has been vacated and the assessed fine is voided.

Should you have any questions concerning this action, please contact me at 801-538-5306 or Daron Haddock at 801-538-5325.

Sincerely,

Mary Ann Wright

Associate Director, Mining Assessment Conference Officer

maryannwright@utah.gov

MAW/vs Enclosures:



BEFORE THE DIVISION OF OIL, GAS AND MINING MINERALS REGULATORY PROGRAM DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

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IN THE MATTER OF THE

GARDNER CANYON MINE, JUAB

COUNTY, UTAH

INFORMAL CONFERENCE

For MC07-04-01

FINDINGS, CONCLUSIONS

AND ORDER

CAUSE NO. S0230015

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On September 19, 2007, the Division of Oil, Gas and Mining ("OGM") held an informal conference concerning the Fact of Violation and the Assessment for Cessation Order, MC07-04-01 issued to Robert Steele, the Gardner Canyon Mine, Juab County, Utah. The following attended for the Division: Lynn Kunzler and Daron Haddock.

Presiding:

Mary Ann Wright

Associate Director, Mining

Division of Oil, Gas and Mining

Petitioner:

Robert Steele

The Findings, Conclusions, and Order in this matter are based on information provided by the Petitioner and the Division in connection with this informal conference, and on information in the files of the Division.

FACTS PRESENTED: Fact of the Cessation Order and Assessment

- 1. On September 19, 2007, the Division of Oil, Gas and Mining (OGM or Division) held an Informal Conference concerning the Cessation Order issued at the Gardner Canyon Mine, Juab County, Utah.
- 2. Cessation Order MC07-04-01 was issued April 24, 2007 for "Failure to provide or maintain reclamation surety for a mine site".
- 3. On September 6, 2007, Robert Steele requested an Informal Conference. Notice of the informal conference was properly given.

Pursuant to Utah Code Ann. Section 40-8-9 and Utah Administrative Rule R647-6-102.

- 4. At the informal conference, the following information was presented to the Conference Officer.
- 5. This mine site is on US Forest Service managed lands. Mr. Steele informed the division on May 30, 2007 by mail that the USFS holds a \$40,000 Letter of Credit (LOC) for reclamation of this site. At the conference, he further explained that he signed bond papers 2 days prior to the conference and sent them to the division. These papers would co-name the division on the LOC.
- 6. The information provided by Mr. Steele was new information for the division. Mr. Haddock had informed Mr. Steele in a letter of June 15, 2007, if the division were co-named on the bond, the division would vacate the order.
- 7. It has now been confirmed that the LOC is in place, with the division co-named as beneficiary for reclamation of this site.

CONCLUSIONS

• The reclamation bond for this mine site has been provided as required. The Violation (Cessation Order) should be vacated.

ORDER

NOW THEREFORE, it is ordered that:

- 1. Cessation Order MC For MC07-04-01, is hereby vacated.
- 2. The assessed fine is voided.

SO DETERMINED AND ORDERED this 2nd day of January 2008

Mary Ann Wright, Associate Director, Mining

Conference Officer

Division of Oil, Gas and Mining

State of Utah